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**TRAVEL COMPANY EXECUTIVE SENTENCED TO FEDERAL PRISON  
FOR CONSPIRING TO HIDE INCOME IN FOREIGN BANK ACCOUNT**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced that RICHARD C. MASEFIELD ("MASEFIELD"), the former President of Trafalgar Tours, U.S.A., an international tour company based in Manhattan, was sentenced late yesterday to a 6-month term of incarceration as a result of his conviction on tax fraud charges for conspiring to hide from the Internal Revenue Service hundreds of thousands of dollars in secret compensation paid to him through a Channel Islands bank account.

According to the Indictment and MASEFIELD'S guilty plea, MASEFIELD served as Vice President, and then President, of Trafalgar Tours, U.S.A. ("TT-USA") between 1993 and 1997, and thereafter (from 1997-2001) operated a TT-USA-related company located in Florida. Also according to the Indictment and other court documents, TT-USA is a subsidiary of Trafalgar Tours International, the international travel and tour company that was owned and controlled by fugitive hotelier STANLEY S. TOLLMAN, who

was indicted in the same case in 2002. During the period 1993-2000, MASEFIELD, a citizen of New Zealand, was a permanent resident of the United States and thus required to report to the IRS all of his worldwide income.

According to court records and MASEFIELD's guilty plea, MASEFIELD and other senior employees of TT-USA, as well as its owners, were paid "secret compensation," that is, compensation that, in violation of the criminal internal revenue laws, was willfully not reported to the IRS by either TT-USA or the employees, including MASEFIELD. Also according to the Indictment, MASEFIELD received his secret compensation through a bank account located at the Royal Bank of Canada, in Guernsey, the Channel Islands. Thereafter, according to court records, in order to get access to his funds in Guernsey, MASEFIELD corresponded with a financial manager there who, upon request, caused funds to be withdrawn from MASEFIELD's account at Royal Bank of Canada. Those withdrawals were then used, according to court records, to pay for personal expenses of MASEFIELD in the United States, including expenses at a marina in Norwalk, Connecticut. According to court documents, between 1993 and 2000, MASEFIELD received in excess of \$400,000 in secret income through his Channel Islands account, all of which he omitted from income tax returns he filed, under penalty of perjury, with the IRS.

MASEFIELD was arrested by Australian authorities in June 2003 pursuant to an extradition request made by the United States.

He was returned in custody to the United States in June 2004.

In addition to the jail term, MASEFIELD was directed by United States District Judge LORETTA A. PRESKA to pay \$21,800 to the United States in connection with the costs of prosecution, including the costs of returning him in custody to the United States. MASEFIELD, according to the sentencing proceedings, has paid over \$200,000 in back taxes and interest that he owed. MASEFIELD was directed to surrender to the Bureau of Prisons on August 31, 2005.

The extradition of three co-conspirators – STANLEY TOLLMAN, BEATRICE TOLLMAN, and GAVIN TOLLMAN, all senior officials at Trafalgar-related companies – are scheduled for hearings in August and September 2005.

Mr. KELLEY praised the work of the IRS and the FBI, as well as the authorities in Guernsey, the Channel Islands, and Australia. Mr. KELLEY said the investigation is continuing.

Assistant United States Attorney STANLEY J. OKULA, JR. is in charge of the prosecution.

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